

the Credit is allocated promptly and is not dominated by Byzantine Federal regulations and paperwork. If anything, Congress should and will move beyond the Secretary's blueprint. But we should not terminate a program and slow the flow of capital derived from the Credit, until hearings have determined a need for change.

Mr. President, I urge rejection of the proposed Ways and Means Committee action to sunset the Credit. As a member of the Finance Committee I will work assiduously to protect this important program.●

NATIONAL FUND FOR HEALTH RESEARCH ACT

● Mrs. BOXER. Mr. President, I rise as an original cosponsor of the Hatfield-Harkin bill. I wish to express my strong support for this legislature which provides additional resources for health research over and above those provided to the National Institutes of Health [NIH] in the annual appropriations process.

This legislation would create the National Fund for Health Research Act, financed by a tobacco tax, in the form of 25 cents per pack and an equivalent tax on other tobacco products. As a result of this act, annual revenue in excess of \$4 billion would be raised to provide additional funds for medical research, which is an important, but often underfunded part of our health care system.

Investment in medical research yields benefits in countless ways: improvements in preventing disease, better methods of diagnosis and treatment, and breakthroughs that have led to cures and therapies for afflictions ranging from cancer to schizophrenia.

Improvements in public health depend on basic research to find answers to fundamental questions about disease processes. The most widely heralded medical triumphs—such as the discovery of antibiotics, the vaccine for polio, the identification of human immunodeficiency virus—reflect the vast body of fundamental knowledge accumulated through medical research.

In addition, medical research is the first line of prevention defense. Research has produced immunizations, a screening test to prevent the transmission of HIV through blood products and the finding that AZT can reduce by two-thirds the rate of HIV transmission from mother to infant. With rising health care costs, it is in our best interest to fund medical research to further both prevention and treatment of disease.

This legislation raises funds for research while protecting our children. Everyday more than 3,000 children become smokers and more than 1,000 of them will eventually die as a result of smoking. Raising tobacco taxes is a highly effective manner in which to reduce tobacco use by children. A 25 cent tax will discourage an estimated 1.3 million children and adults from smoking.

I urge my colleagues to recognize the importance of medical research to the American people and support the Hatfield-Harkin bill.●

NAFTA

● Mr. LEVIN. Mr. President, during the Senate debate over the North American Free-Trade Agreement I put together a brochure entitled "NAFTA MATH: It Doesn't Add Up." This brochure questioned the job creation claims of NAFTA proponents and showed those job claims to be a distortion of what would really happen under NAFTA.

In the brochure and during the NAFTA debate I pointed out that the job gain claims were based solely on expected increases in exports. These job creation claims totally ignored any potential and expected increase in imports from Mexico—which result in the loss of American jobs.

An op-ed published in Monday's New York Times confirms the worst of my fears. I will ask to have printed in the RECORD a September 11 New York Times op-ed by Bob Herbert which confirms the fact that NAFTA has not resulted in the increase in U.S. jobs promised by its supporters. In fact, it has resulted in the opposite.

Mr. Herbert writes about the findings of a Public Citizen study of U.S. jobs created under NAFTA. Public Citizen looked at the job creation promises of dozens of companies that supported NAFTA. Mr. Herbert writes, "Public Citizen noted that every one of those companies has already 'laid off workers because of NAFTA.'" In addition, "Of the companies surveyed, 89 percent had failed to take any significant step toward fulfilling their promises of job creation or export expansion."

In addition, "There has been no meaningful job creation from NAFTA, which has been in effect for 20 months. But the U.S. Department of Labor, through its NAFTA Trade Adjustment Assistance Program, which was designed to help people thrown out of their jobs by NAFTA, has certified that 38,148 workers lost their jobs by mid-August. An additional 30,000 workers have filed for assistance under the program. It is expected that the true job loss under NAFTA will reach 1 million by the end of the year."

Finally, Mr. Herbert writes that although exports from the United States have increased to Mexico as NAFTA proponents predicted, as I feared, imports to the United States from Mexico increased even faster, especially for high value-added manufactures such as automobiles and other high-technology items.

Unfortunately, some of our fears about the implications of NAFTA were well founded. NAFTA's problems were evident even before the devaluation of the peso which hurt hopes for a growing consumer market in Mexico. With Mexico's current fiscal problems, these trends could well get worse.

I ask that the op-ed by Bob Herbert be printed in the RECORD.

The material follows:

[From the New York Times, Sept. 11, 1995]

NAFTA'S BUBBLE BURSTS

(By Bob Herbert)

Back in 1993, in a typical declaration of faith in the projected glories of the North American Free Trade Agreement, a vice president of the Mattel Corporation named Fermin Cuza assured a Congressional subcommittee that NAFTA would result in the creation of new jobs at Mattel and have "a very positive effect" on the 2,000 men and women already employed by Mattel in the United States.

Mr. Cuza's was just one of many promises made during that season of devotion to free trade. The consumer group Public Citizen took a look back at them.

Let's start with Mattel. Not only have no jobs been created, but a check of Federal records by Public Citizen found that 520 workers at Mattel's Fisher-Price facility in Medina, N.Y., have been certified as laid off specifically because of "increased company imports from Mexico" that resulted from NAFTA.

Public Citizen's Global Trade Watch unit surveyed the job creation promises of dozens of staunchly pro-Nafta corporations. They included, in addition to Mattel, Allied Signal, General Electric, Procter & Gamble, Scott Paper and Zenith.

In a report released last week, Public Citizen noted that every one of those companies has already "laid off workers because of Nafta."

Of the companies surveyed, 89 percent had failed to take any significant step toward fulfilling their promises of job creation or export expansion.

In November 1993, President Clinton asserted, "If this trade agreement passes—Nafta—we estimate America will add another 200,000 jobs by 1995 alone."

He was mistaken. There has been no meaningful job creation from Nafta, which has been in effect for 20 months. But the U.S. Department of Labor, through its Nafta Trade Adjustment Assistance program, which was designed to help people thrown out of their jobs by Nafta, has certified that 38,148 workers lost their jobs by mid-August. An additional 30,000 workers have filed for assistance under the program, which is not well known and not available to most workers who are at risk. It is expected that the true job loss under Nafta will reach one million by the end of the year.

It is fashionable now for Nafta supporters to blame the end-of-the-year peso crash for problems that were inherent in the trade agreement. During the first year of Nafta, before the big devaluation in December, the value of the peso relative to the dollar had already declined by nearly 15 percent. That wiped out any advantage the U.S. would have realized from Nafta's lower tariffs. The average tariff decline was just 10 percent. In other words, the "market access advantage" that the U.S. was supposed to enjoy had vanished before the peso crash.

Proponents of Nafta are quick to note that U.S. exports to Mexico increased during the first year of Nafta. True. But what they fail to mention is that imports to the U.S. from Mexico increased even faster, with automobiles and other high-technology items increasing twice as fast. We were well on our way to a trade deficit with Mexico (and the big job losses that would entail) before the crash of the peso.

Worse, much of the increase in exports to Mexico came from items that boomerang